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NATIONAL BUSINESS AIRCRAFT ASSOCIATION plans to sign a contract soon with Phaneuf Associates of Washington, D.C. for a wide-ranging study that will "look at the world of business aviation" and attempt to discern the scope of corporate air transportation five and 10 years into the future. NBAA President Jonathan Howe told *BA* the study will address changes taking place in the overall aviation industry, the changing role of flight departments, the ramifications of leasing and time-share programs and increased aircraft utilization. Howe said the study will include models, projections and trends to better enable NBAA to meet the needs of its members.

SEVERAL potential buyers for part or all of the assets of Scenic Airlines will begin a due diligence review of the company's finances and operations this week *(BA, Aug. 26/81)*. In addition to those who submitted bids by Sept. 1 as requested by Scenic, officials say they expect to receive additional acquisition proposals from other parties in the near future.

REQUEST FOR PROPOSALS to provide 125 aircraft that will be used to screen candidates for Air Force air crew training is expected to be issued this Friday *(BA, July 29/44)*. The Air Force Aeronautical Systems Division plans to issue the RFP as part of the effort "to acquire an Enhanced Flight Screener (EFS) consisting of approximately 125 commercial single-engine, aerobatic class FAR Part 23 aircraft" along with "contractor logistics support necessary to perform Air Training Command and the Air Force Academy's screening process," the service said. Potential bidders must request copies of the RFP by Sept. 20.

OPPONENTS IN PRODUCT LIABILITY DEBATE AGREE ISSUE LIKELY TO REACH SENATE

A hearing last week on a product liability reform bill turned into a dress rehearsal for what promises to be a highly emotional debate about the issue on the floor of the Senate. Sen. Robert Kasten (R-Wis.), the author of S.640, said that after nine years of hearings and discussion about product liability reform, "I believe we've turned the corner on this issue..." He said S.640 has 36 co-sponsors, including half of the Commerce Committee's 20 members, adding that "I look forward to this bill being on the [Committee's] executive committee agenda at the end of the month," the final step before scheduling the bill for markup *(BA, July 29/41)*. Even Sen. Ernest Hollings (D-S.C.), Commerce Committee chairman and the most outspoken opponent of product liability reform on the panel, acknowledged that "Sen. Kasten and I will no doubt be debating this on the floor [of the Senate]."

Commerce Secretary Robert Mosbacher was the first witness at last Thursday's session before the consumer subcommittee of the Commerce Committee, and although he spent nearly two hours at the witness table, most of the discussion was by senators on the panel debating the issue among themselves. Kasten's S. 640 is the so-called broad product liability bill and while it does not address aviation directly, its passage would benefit the general aviation industry. Sen. John McCain (R-Ariz.), a strong supporter of both S.640 and Sen. Nancy Kassebaum's general aviation product liability measure, S.645, said you have only to go to Kansas to see the need for reform of the current tort system, which he blamed for the "almost total disappearance of general aviation [manufacturing] in this country."

Kasten made a number of points certain to be repeated during the Senate debate, charging that lawyers

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Airport and Airway Trust Fund
Income Statement
October 1, 1989 - June 30, 1991

	Current Month	Year-to-Date
RECEIPTS		
Excise Taxes (Transferred from General Fund):		
Liquid Fuel other than Gas	$ 9,196,000.00	$ 80,736,000.00
Transportation by Air, Seats, Berths, etc.	574,740,000.00	3,199,976,000.00
Use of International Travel Facilities	16,505,000.00	154,609,000.00
Transportation of Property and Cargo	22,602,000.00	161,508,000.00
Gasoline:		
Commercial 9 cents tax	95,000.00	1,888,000.00
Non-commercial 9 cents tax	2,029,000.00	18,450,000.00
Non-commercial 2.9 cents tax	(161,000.00)	1,665,000.00
Total Tax Receipts	$ 625,006,000.00	$ 3,618,832,000.00
Less Reimbursement to the General Fund (Refund of Taxes and Estimated Tax Credits):		
Aircraft Use Tax	$ 0.00	$ (9,530.00)
Aviation Fuels Commercial	2,231,020.00	9,573,020.00
Gas Retailers Tax	0.00	102,760.00
Gasoline Manufacturer's Tax	0.00	0.00
Aircraft Use Principal	0.00	0.00
Total Reimbursements:		
Tax Receipts	$ 2,231,020.00	$ 9,666,250.00
Net Tax Receipts	$ 622,774,980.00	$ 3,609,165,750.00
Interest on Investment	$ 644,908,041.19	$ 983,979,580.89
Accrued Interest Income	(537,604,159.16)	0.00
NET RECEIPTS	$ 730,078,862.03	$ 4,593,145,330.89
OUTLAYS		
Interest on Refunds & Credits	$ 0.00	$ (7,710.00)
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (384,895,750.00)	$ (3,785,436,750.00)
National Oceanic and Atmospheric Administration (NOAA)	(8,630,250.00)	(25,890,750.00)
TOTAL NON-EXPENDITURE TRANSFERS	$ (393,526,000.00)	$ (3,811,327,500.00)
TOTAL OUTLAYS/TRANSFERS	$ (393,526,000.00)	$ (3,811,319,790.00)
SURPLUS/(DEFICIT)	$ 336,552,862.03	$ 781,825,540.89

From Treasury Department data.

AVITAS AVIATION

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Airport and Airway Trust Fund
Balance Statement
As of June 30, 1991

ASSETS		
Undisbursed Balances:		
Available for Investment	$ 704.69	
TOTAL UNDISBURSED BALANCE		$ 704.69
Receivables:		
Interest Receivables	$ 0.00	
TOTAL RECEIVABLES		$ 0.00
Investments:		
U.S. Treasury Certificates of Indebtedness		
8-1/4% matures 6/30/92	$ 15,399,144,000.00	
NET INVESTMENTS		$ 15,399,144,000.00
TOTAL ASSETS		$ 15,399,144,704.69
LIABILITIES & EQUITY		
Beginning Balance	$ 14,617,319,163.80	
Net Change	781,825,540.89	
TOTAL EQUITY		$ 15,399,144,704.69
TOTAL LIABILITIES & EQUITY		$ 15,399,144,704.69

Activity Report
October 1, 1989 - June 30, 1991

	Current Month	Year-to-Date
UNDISBURSED BALANCES:		
Operations	$ 25.00	$ 4,620.41
Grants-in-Aid	(3,766,866.29)	16,797,749.73
Facilities & Equipment	(12,447,966.27)	57,517,274.22
Research Engineering Development	(1,475,919.97)	426,915.98
TOTAL UNDISBURSED BALANCE	$ (17,690,727.53)	$ 74,746,569.34
EXPENSES		
Operations	$ 166,895,725.00	$ 1,503,461,525.00
Grants-in-Aid	115,016,866.29	1,112,853,228.37
Facilities and Equipment	100,197,966.27	1,007,982,649.52
Research Engineering Development	20,475,919.97	129,920,325.41
NOAA Aviation Weather Services	8,630,250.00	25,890,750.00
TOTAL EXPENSES	$ 411,216,727.53	$ 3,780,108,478.30
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (384,895,750.00)	$ (3,785,436,750.00)
National Oceanic and Atmospheric Administration (NOAA)	(8,630,250.00)	(25,890,750.00)
TOTAL NON-EXPENDITURE TRANSFERS	$ (393,526,000.00)	$ (3,811,327,500.00)

From Treasury Department data.

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